

# Office of Attorney General Terry Goddard



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FOR IMMEDIATE RELEASE

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## **Terry Goddard Announces Deceptive Sales Settlement with Car Dealership**

(Phoenix, Ariz. – June 5, 2008) Attorney General Terry Goddard today announced a \$225,000 settlement with Bill Heard Chevrolet, Inc. – Scottsdale (Bill Heard). The settlement resolves allegations of deceptive advertising and sales practices, and it requires future advertisements to be clear and not deceptive.

According to court documents, Bill Heard failed to disclose important terms and conditions of offers advertised in newspapers, through direct mail or on the Internet. In some instances, the dealership included a "Bill Heard discount" as part of the vehicle's advertised price but did not always give the discount to the consumer. In other cases, the dealership refused to sell advertised vehicles to consumers consistent with the terms of the ads.

"New and used car sales complaints ranked high once again this year in the top 10 complaints filed with my office," Goddard said. "This is unacceptable. Arizona consumers should expect truthful advertising from all businesses, including car dealerships, and my office will continue to pursue these complaints until all car dealers understand they must advertise truthfully."

The settlement, in the form of a consent judgment, does not constitute an admission of wrongdoing by Bill Heard. The settlement requires the dealership to:

- Not engage in false and deceptive advertising and from selling motor vehicles for more than their advertised price.
- Ensure that its ads accurately identify vehicles available for sale, the price of the advertised vehicles and which options are included in the advertised price.
- Ensure it has advertised vehicles in inventory and available for sale, or that a fair substitute is available.
- Stop using ads that appear to include a check or come from a governmental entity.
- Stop using newspaper ads that exaggerate the number of vehicles available for sale.
- Stop using direct mail letters that claim to offer a variety of "special" discounts or programs, but in fact deliver no real benefits to consumers who received them.
- Adopt policies and procedures to implement the specific terms of the consent judgment, provide training to its employees and enact procedures to discipline employees who fail to comply.
- Requires Bill Heard to ensure that all parties involved in its advertising, including independent marketing companies, are aware of the settlement.

Additionally, the settlement provides a mechanism for consumers to file complaints with the Attorney General's Office for their interactions with the dealership occurring on or after March 1, 2007. The settlement requires Bill Heard to review the complaints and resolve them according to the terms of the settlement, but the dealership is not necessarily required to pay refunds. Each case will be decided on its own facts.

Bill Heard will pay \$225,000 to the Attorney General's Office for civil penalties, attorney's fees and costs of investigation. Those funds will be used for consumer fraud education and to support the operations of the Office's Consumer Protection Division as provided in Arizona law. Assistant Attorney General Dena Rosen Epstein handled this case.

If you believe you have been a victim of fraud, please contact the Attorney General's Office in Phoenix at 602.542.5763; in Tucson at 520.628.6504; or outside the Phoenix and Tucson metro areas at 1.800.352.8431. To file a complaint in person, the Attorney General's Office has 36 satellite offices throughout the state with volunteers available to help. Locations and hours of operation are posted on the Attorney General's Web site at [www.azag.gov](http://www.azag.gov). Consumers can also file complaints on line by visiting the site.

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